

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

September 6, 2002

Committee
Report No. 02-108

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on August 13, 2002, makes reference to the following:

1. County Communication No. 00-288, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of September 30, 2000.
2. County Communication No. 01-79, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of December 31, 2000.
3. County Communication No. 01-146, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of March 31, 2001.
4. County Communication No. 01-272, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of June 30, 2001.
5. County Communication No. 01-319, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of September 30, 2001.
6. County Communication No. 02-52, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of December 31, 2001.
7. County Communication No. 02-111, from the Director of Finance, transmitting the Finance Director's Quarterly Report and the Capital Improvement Project Report as of March 31, 2002.

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At its meeting of January 12, 2001, the Council referred County Communication No. 00-288 to your Budget and Finance Committee (County Communication No. 01-7).

At its meeting of August 13, 2002, your Committee met with the Director of Finance and a Deputy Corporation Counsel.

The Director of Finance informed your Committee that, pursuant to Subsection 8-4.3(14) of the Charter of the County of Maui and Chapter 3.08 of the Maui County Code, the Finance Director's Quarterly Report ("Quarterly Report") and the Capital Improvement Project Report are regularly submitted to the Council. He further informed your Committee that the Department is revising the Quarterly Report to provide better information to track expenditures against the fiscal year budget and provide a year-to-year comparison. He stated that the changes are being implemented in response to comments raised by your Committee regarding difficulty in comparing information in the Quarterly Report and the Comprehensive Annual Financial Report (CAFR).

The Director provided an overview of each section of the report using the Finance Director's Quarterly Report as of March 31, 2002. He noted that revenue is not necessarily received in equal quarterly installments. For example, Real Property Tax receipts and Bond Issuance/Debt Service are generally received in two installments and the Transient Accommodations Tax is received in the second through fourth quarters.

Your Committee offered the following suggestions to improve the effectiveness of the Quarterly Report: (1) that the pages be numbered; (2) that a legend be added to provide descriptions of the numbering system on the computer-generated reports; and (3) that the percentage of the actual expenditures to the budget be added.

After extensive discussion, your Committee voted to recommend filing the first six communications, but retaining County Communication No. 02-111 (the most recent Quarterly Report) for comparative review with the next Quarterly Report.

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Your Committee authorized your Committee Chair to send letters to the Council's standing committees to recommend that the committees consider budgetary items during their review of departments under their jurisdiction in order to provide guidance to your Committee during the annual budget session.

Your Budget and Finance Committee RECOMMENDS the following:

1. That County Communication No. 00-288 be FILED;
2. That County Communication No. 01-79 be FILED;
3. That County Communication No. 01-146 be FILED;
4. That County Communication No. 01-272 be FILED;
5. That County Communication No. 01-319 be FILED; and
6. That County Communication No. 02-52 be FILED.

Adoption of this report is respectfully requested.

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G. RIKI HOKAMA **Chair**

DANNY A. MATEO **Member**

ALAN M. ARAKAWA **Member**

MICHAEL J. MOLINA **Member**

ROBERT CARROLL **Member**

WAYNE K. NISHIKI **Member**

JO ANNE JOHNSON **Member**

CHARMAINE TAVARES **Member**

DAIN P. KANE **Member**